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NSC BRIEFING

11 March 1959

NEAR EAST DEVELOPMENTS

- I. Iraqi army revolt, which was apparently confined to the garrison of the city of Mosul, has apparently been crushed by Qasim forces.

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- II. The revolt received some physical UAR aid as well as encouragement and propaganda support.

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III. The failure of this revolt is another blow to Nasir's prestige and very probably spells the end for the time being of any really effective UAR influence in Iraq. This the second Egyptian coup effort which failed.

A. Nine members of the UAR embassy in Baghdad, [REDACTED]

25X1

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[REDACTED] were declared persona non grata and expelled on 24 hours notice on 9 March.

1. Embassy officials, possibly fearing sacking of the embassy or a break in relations, are sending home their dependents

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2. Sixty nine Egyptian diplomats and dependents left Baghdad on 10 March as result.

B. Qasim, enthusiastically pushed by the Communists, can now be expected to clean out UAR supporters from their remaining government jobs and from the army.

1. Communists demand: execution of leaders of former regime, ending of Popular Resistance Force they control, and withdrawal from Baghdad Pact.
2. Baghdad radio and press as well as Col. Mahdawi (President of Military Court) have charged Nasir as being behind revolt.
3. Qasim regime has ordered arrest of persons distributing pictures of Nasir.
4. Nasir hanged in effigy on 10 March in Baghdad and mobs chanting anti-Nasir slogans filled streets. Nationalist and pro-Nasir newspapers ransacked.

C. The Communists remain as the only dynamic, organized group. They loudly claim to have maintained a consistently patriotic stand; anti-Communism is probably coming to be identified with pro-UAR sentiment and this can be pointed to as subversive in Iraq.

1. Moscow radio came out strongly and immediately in support of Qasim, and accused US and its Middle East allies of supporting revolt. Did not name Nasir.

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- IV. There seems little possibility of a rapprochement between Nasir and Qasim, even if Nasir desired to achieve it; Nasir has gone too far in seeking Qasim's overthrow and committed himself publicly against Qasim in 11 March speech.
- A. Nasir accused Qasim, by name, of fostering division within Arab ranks and denounced Communist "agents."
 - B. Nasir said his mission was to continue to promote Arab unity and to protect Arab states from "those who covet us"--into this category he placed imperialists, Zionists and "the agents" (i.e. Qasim).
 - C. Recognizing possible Soviet reaction Nasir ended on note of determination to continue his course "regardless of the harm which may befall us."
 - D. Nasir fully aware of seriousness of public challenge of Qasim and now must face new period of intense maneuvering in area.
- V. Kuwait is one spot where the tension between Nasir and Qasim may focus.
- A. The Kuwaiti people have long hailed Nasir as their hero, and Nasir's propaganda has been spread by teachers, oil workers, and other types who have come to Kuwait in large numbers over the past few years.
 - B. The ruling family of Kuwait has been undecided on how to handle the nationalists--it has tried both appeasement and suppression.
 - C. Now nationalists will have two poles to attract them--Iraq and the UAR, both of which will be eager to acquire control of Kuwait's oil revenues (389 million dollars in 1958).

VI. The major result of this new Middle East crisis, the emergence, more clearly than ever, of the threat that Communist influence--even control--may be extended over the vastly important Persian Gulf oil region.

A. Here, where the Garden of Eden once symbolized a fertile basis of an agricultural civilization, we now find nearly 175 billion barrels of oil reserves as a basis for our mechanized civilization. Current production of almost four million barrels a day comes from the area immediately surrounding the Gulf itself. This is over 23 percent of current free world oil production.

1. The US, in comparison, has reserves of 32 billion barrels and produces about 7 million barrels a day.

B. Communist control of Iraq would open the way for infiltration, first into Kuwait and Iran, later into Saudi Arabia, Bahrain, and so on. A portion--about 3/8--of Iran's production now moves through Iraq-controlled Shatt-al-Arab; Iraqis previously considered shutting this channel off with mines.

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PERSIAN GULF-IRAQ OIL DATA SHEET

<u>Country</u>	<u>Production</u>	<u>Reserves</u>
Kuwait	1,504,600 barrels per day	60,000,000,000 barrels
Saudi Arabia	1,034,600 " " "	47,000,000,000 "
Iran	827,000 " " "	33,000,000,000 "
Iraq	798,000 " " "	25,000,000,000 "
(southern Iraq-278,000) (northern Iraq-520,000)		(Note: southern Iraq's reserves are believed larger than northern, but no breakdown available)
Qatar	184,000 " " "	2,500,000,000 "
Kuwait-Saudi Neutral Zone	104,600 " " "	6,000,000,000 "
Bahrein	45,000	230,000,000 "
Totals	4,497,800 " " "	173,730,000,000 "
Total less northern Iraq	3,970,800	

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